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Attorneys for Defendants

KIAHUNA GOLF CLUB, LLC,
KG KAUAI DEVELOPMENT, LLC,
PUKALANI GOLF CLUB, LLC,
KG MAUI DEVELOPMENT, LLC,
MILILANI GOLF CLUB, LLC,
QK HOTEL, LLC, OR HOTEL, LLC,
AND KG HOLDINGS, LLC

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF HAWAII

SPORTS SHINKO CO., LTD., a
Japan corporation,

Plaintiff,

vs.

QK HOTEL, LLC, a Hawaii limited
liability company, et al.,

Defendants,

and

FRANKLIN K. MUKAI,

Third-Party Plaintiff,

vs.

SPORTS SHINKO (USA) CO., LTD.,
a Delaware Corporation, et al.,

CV 04-00124 ACK-BMK
CONSOLIDATED CASES

KG DEFENDANTS'
MEMORANDUM IN OPPOSITION
TO PLAINTIFFS AND THIRD-
PARTY DEFENDANTS' MOTION
TO STRIKE UNTIMELY JOINDER
BY DEFENDANT MUKAI IN KG
DEFENDANTS' MOTION FOR
SUMMARY JUDGMENT IN
CIVIL NO. CV 04-00128;
CERTIFICATE OF SERVICE

DATE: March 20, 2006
TIME: 9:30 am
JUDGE: Hon. Alan C. Kay

Third-Party Defendants.

SPORTS SHINKO (USA) CO., LTD.,
a Delaware corporation,

Plaintiff,

vs.

PUKALANI GOLF CLUB, LLC, a
Hawaii limited liability company, et
al.,

Defendants,

and

FRANKLIN K. MUKAI,

Third-Party Plaintiff,

vs.

SPORTS SHINKO CO., LTD., a
Japan Corporation, et al.,

Third-Party Defendants

CV 04-00125 ACK-BMK

SPORTS SHINKO (USA) CO., LTD.,
a Delaware corporation,

Plaintiff,

vs.

KIAHUNA GOLF CLUB, LLC, a
Hawaii limited liability company, et
al.,

Defendants,

and

FRANKLIN K. MUKAI,

Third-Party Plaintiff,

vs.

SPORTS SHINKO CO., LTD., a
Delaware Corporation, et al.,

Third-Party Defendants.

CV 04-00126 ACK-BMK

SPORTS SHINKO CO., LTD., a
Japan corporation,

Plaintiff,

vs.

OR HOTEL, LLC, a Hawaii limited
liability company, et al.,

Defendants,

and

FRANKLIN K. MUKAI,

Third-Party Plaintiff,

vs.

SPORTS SHINKO (USA) CO., LTD.,
a Delaware Corporation, et al.,

Third-Party Defendants.

CV 04-00127 ACK-BMK

SPORTS SHINKO (USA) CO., LTD.,
a Delaware corporation,

Plaintiff,

vs.

MILILANI GOLF CLUB, LLC, a
Hawaii limited liability company; et
al.,

Defendants,

and

FRANKLIN K. MUKAI,

Third-Party Plaintiff,

vs.

SPORTS SHINKO CO., LTD., a
Japan Corporation, et al.,

Third-Party Defendants.

CV 04-00128 ACK-BMK

KG DEFENDANTS' MEMORANDUM IN OPPOSITION TO PLAINTIFFS
AND THIRD-PARTY DEFENDANTS' MOTION TO STRIKE UNTIMELY
JOINDER BY DEFENDANT MUKAI IN KG DEFENDANTS' MOTION FOR
SUMMARY JUDGMENT IN CIVIL NO. CV 04-00128

Defendants Kiahuna Golf Club, LLC, KG Kauai Development, LLC,
Pukalani Golf Club, LLC, KG Maui Development, LLC, Mililani Golf Club, LLC,
QK Hotel, LLC, OR Hotel, LLC, and KG Holdings, LLC ("KG Defendants"),
through their counsel, Price Okamoto Himeno and Lum, oppose plaintiffs' and
third party defendants' Motion To Strike Untimely Joinder By Defendant Mukai In
KG Defendants' Motion For Summary Judgment In Civil No. CV 04-00128, filed
on March 2, 2006 ("Motion to Strike").

The Motion to Strike suffers from the same flaw as the five Second
Amended Complaints -- namely, the plaintiffs' unwillingness to come to grips with
their very limited rights, compared with the greater rights, powers and duties of
trustees or receivers. Or arm's length creditors.

The primary case plaintiffs rely on for the Motion to Strike illustrates the
point. In re Parmalat Securities Litigation, 2006 U.S. Dist. LEXIS 3719 (S.D.N.Y.
2006) is an action by a trustee appointed by an Italian court with powers "roughly
equivalent to that of a chapter 11 bankruptcy trustee in the United States." Id. at
*1. Of course, a trustee, acting to benefit arm's length creditors, has power to sue

to reexamine transactions by a bankrupt debtor.¹ Parmalat says nothing about a company's right, outside of bankruptcy, to sue a former director. The case also has nothing to do with claims under the Uniform Fraudulent Transfer Act. Id. at *16 (describing the claims sued upon by the trustee).

The KG Defendants have no objection to the Court considering whether defendant Franklin K. Mukai has a valid *in pari delicto* defense, and has no position whether the issue should be taken up now or at a later date when the issue is fully briefed.

DATED: Honolulu, Hawaii, March 9, 2006.

/s/ Robert A. Marks

WARREN PRICE III

ROBERT A. MARKS

Attorneys for Defendants

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KG KAUAI DEVELOPMENT, LLC,

PUKALANI GOLF CLUB, LLC,

KG MAUI DEVELOPMENT, LLC,

MILILANI GOLF CLUB, LLC,

QK HOTEL, LLC, OR HOTEL, LLC,

AND KG HOLDINGS, LLC

¹ There is a distinction between the rights of trustees and receivers. See In re Agribiotech, Inc., 2005 U.S. Dist. LEXIS 6466, *21-*32 (D.Nev. 2005) (Pro, Ch.J.) (harmonizing caselaw and concluding bankrupt debtor's bad acts are imputed to a trustee but not a receiver).

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served electronically through CM/ECF on the following on March 9, 2006:

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Attorney for Defendant

FRANKLIN K. MUKAI

DATED: Honolulu, Hawaii, March 9, 2006.

/s/ Robert A. Marks

WARREN PRICE III

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